

**Office of Nuclear Regulatory Research
November 2004**

By Carl J. Paperiello, Director

Chairman Diaz, Commissioner McGaffigan, Commissioner Merrifield, thank you for giving me this opportunity to address the Commission regarding human capital, equal employment opportunity (EEO), and diversity management in the Office of Nuclear Regulatory Research (RES). In RES, we recognize human capital — our dedicated people and their wealth of knowledge and expertise — as the cornerstone of our activities and our ability to make measurable contributions to achieve the mission of the U.S. Nuclear Regulatory Commission (NRC).

Because this is my first year as Office Director of RES, I would be remiss if I did not acknowledge the exceptional accomplishments of my predecessor, Ashok Thadani, and the RES management team. When I came to RES last March, we had a dedicated and diverse cadre of talented professionals, and our EEO demographics were very favorable. In my current capacity as Office Director, I am committed to continuing and building upon that legacy.

In RES, we recognize that our management and staff are most efficient and effective when they are appropriately deployed, fully engaged in meaningful contributions to the agency's mission, and recognized for their performance. To cultivate and retain an outstanding and highly diverse workforce, we focus on each of these considerations:

- We use innovative recruitment strategies and base our hiring decisions on bringing the most qualified and outstanding individuals to our research team. To do this we seek people with varying backgrounds and diverse viewpoints because they greatly enhance both the quality of our work and the work environment of RES and the NRC as a whole.
- We use both formal and informal development and training programs — based on sound succession planning — and we deploy, recognize, and reward our staff so that each individual understands and appreciates his or her role in achieving the agency's mission and goals. In so doing, we cultivate and retain the current and future leaders of the office and the agency.
- We have taken the first steps to implement a formal knowledge transfer and knowledge management program to ensure that RES acquires and maintains the competencies needed to implement both our office's operating plan and the agency's strategic plan.
- We strive to strengthen managerial and supervisory accountability for setting individual and organizational performance expectations and for providing timely and complete feedback.
- Above all, we foster a work environment that is free of discrimination and provides opportunities for all of our employees to optimally use their diverse talents in support of the NRC's mission and goals.

DEMOGRAPHICS

At the end of Fiscal Year (FY) 2004, RES had a total of 218 permanent employees, 49% of whom were women and minorities. In that year, we also increased our African-American female representation by 50%, our Hispanic representation (both male and female) by 40%, and our Native American representation by 50%.

Comparison of the RES Workforce Profile from September 30, 2003, to September 30, 2004

Ethnicity	Women		Men		Total	
	FY 2003	FY 2004	FY 2003	FY 2004	FY 2003	FY 2004
African-American	5% (10)	7% (15)	3% (6)	3% (6)	8% (16)	10% (21)
Asian/Pacific	3% (6)	2% (5)	13% (26)	13% (28)	16% (32)	15% (33)
Hispanic	1% (2)	1% (3)	1% (3)	2% (4)	2% (5)	3% (7)
Native American	0% (0)	0% (0)	0% (1)	1% (2)	0% (1)	1% (2)
White	18% (38)	20% (43)	55% (114)	51% (112)	74% (152)	71% (155)
TOTALS	27% (56)	30% (66)	73% (150)	70% (152)	100% (206)	100% (218)

In addition to the overall diversity of our workforce, RES has made progress in recruiting and placing women and minorities into management and other key positions. In particular, we have made significant progress in hiring women and minorities into our “pipeline.” In fact, in FY 2004, 46% of the RES Management Team [including 19 out of 41 Senior Executive Service (SES), first-line supervisors, and team leaders] were women and minorities.

Totals by Management Level as of September 30, 2004

	Women	Minorities	Women & Minorities	Total Population
SES	14% (2)	14% (2)	29% (4)	14
First-Line Supervisors	6% (1)	50% (8)	56% (9)	16
Team Leaders & TAs	45% (5)	9% (1)	55% (6)	11
Total	26% (8)	35% (11)	46% (19)	41

Hiring Activity

As you can see, in FY 2004, RES made important strides in recruiting and selecting a diverse group of applicants. Toward that end, we selected 33 female or minority candidates for a total of 67% of 49 merit-based selections. By comparison, in FY 2003, only 6 (40%) of our 15 merit-based selections were women or minorities. This represents a significant (68%) increase in hiring women and minorities in FY 2004 compared to FY 2003. We intend to continue to utilize strategies to attract a diverse pool of applicants for vacant positions.

The breakout of the 49 selections in FY 2004 includes 15 (31%) white females — 1 of whom we promoted into the SES program — and 18 (35%) minority representatives. The 4th Quarter was particularly noteworthy, as RES made 17 merit-based selections, of whom 9 (53%) were women or minorities, and 5 of those 9 (56%) were selected for supervisory positions. RES also supported 17 career ladder promotions, of which 4 (24%) were for white females, and 7 (41%) were for minorities.

Comparison of FY 2003 and 2004 Hiring Activities

Ethnicity	As of September 30, 2003 (Includes 3 intern hires)			As of September 30, 2004 (Includes 4 intern hires)		
	Men	Women	Total	Men	Women	Total
African-American	0	1	7% (1)	2	7	18% (9)
Asian/Pacific	1	0	7% (1)	5	2	14% (7)
Hispanic	0	0	0%	1	0	2% (1)
Native American	0	0	0%	1	0	2% (1)
White	7	6	87% (13)	16	15	63% (31)
TOTALS	8	7	15	30	19	49

Nuclear Safety Professional Development Program (NSPDP) Recruitment

Of our 15 merit-based selections in FY 2003, we recruited 3 NSPDP candidates from outside the agency, and 2 were women or minorities. The 49 merit-based selections in FY 2004 included 4 interns recruited from outside the agency, and 2 were women or minorities. Our 49 selections for the year included 5 (10%) candidates from within RES, 26 (53%) from within the NRC, and 18 (37%) from outside the agency.

Attrition Rates

During FY 2004, RES experienced a 14% attrition rate, meaning that 30 employees left the office. Of those 30 employees, 16 (53%) retired, 12 (40%) transferred out of RES but remained with the NRC, and 2 (7%) separated from the agency. A total of 78 (36%) of our current employees are or will be eligible for retirement within the next 3 years.

WORK ENVIRONMENT

While our demographics tell us that RES is doing well with regard to our numbers of female and minority staff, we also realize that it is not enough to simply hire the best-qualified professionals; we must also develop our employees and give them the opportunity to excel. We want everyone to feel that they are integral to the Research team, and that we value their input in decision-making and their contributions to achieving our goals. We strive to be an “Employer-of-Choice,” and we have made — and continue to make — progress in transforming our work environment into one that is supportive and comfortable for all RES staff.

One of the main issues for our staff has been lack of face time with RES managers because our managers’ had too large a span of control. To address this issue, we have reorganized the office to create additional positions for section chiefs and team leaders to ensure that each of our managers is able to meet the needs of his or her staff. Along with these new supervisory positions, we hold more regularly scheduled meetings within Divisions, Branches, and Sections. I have also recently instituted **storyboarding** sessions, where staff, their line management, and I meet to improve the quality of our products by building a common vision on critical projects.

Through our budget-related lessons learned, RES had also previously identified that we needed more extensive involvement with mid-level management during the Planning, Budgeting, and Performance Management (PBPM) process. As a result, we held more meetings to discuss budget expectations, relay instructions, and obtain staff feedback. We also gave the Division Technical Assistants an integral role in the RES PBPM process, in that they gather and disseminate information and comments from all levels of division staff. In addition, RES Project Managers constitute an important link in revising project milestones in the office Operating Plan, which we subsequently use to develop activities and resource requirements for the next budget cycle. We also envision our recently hired Section Chiefs having substantial involvement in our future budget processes.

RES also values **feedback** from our staff in all matters of office operations and, toward that end, we have improved our office suggestion program. In addition to the existing suggestion boxes in RES work areas, in January 2004, we launched an online “feedback portal” through which RES staff can easily and quickly submit comments and suggestions from their own workstations, while preserving their anonymity if they so choose. All comments and suggestions become “controlled correspondence” so that the appropriate Division Directors can take appropriate and timely action to address and respond to our employees’ concerns. We post all feedback and related responses on the office’s internal Web page to share this information openly with all RES staff.

